



Call for Expression of Interest
for the Purchase of Emission Reduction Units (ERUs)

CALL FOR EXPRESSION OF INTEREST

Rome
2010

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1. BACKGROUND

Under the Kyoto protocol and based on the “EU Burden-Sharing” Agreement, Italy has committed itself to reduce its emissions of greenhouse gases by 6.5% during the commitment period 2008-2012 against the base year level.

The Joint Implementation (JI) is a project-based mechanism under the Kyoto protocol (Article 6) and provides Annex I countries or their companies the ability to jointly implement greenhouse gas emissions reduction or sequestration projects that generate Emission Reduction Units (ERUs). These JI projects will follow the Track 1 procedure. This process allows the host country to apply its own rules and procedures to the selection of JI projects and to measure the emission reductions, convert Assigned Amount Units (AAUs) to ERUs.

Russia reached JI Track 1 status on 20th June 2008 as scheduled by the UNFCCC. The Ministry of Economic Development (MED) is the designated focal point for Russia’s involvement with the Kyoto Protocol and has overall responsibility for approving JI projects. Companies in the EU Emissions Trading Scheme (EU ETS) are able to use ERUs, similar to CERs deriving from the Clean Development Mechanism, for their compliance in the EU ETS.

The Ministry of the Environment, Land and Sea of the Republic of Italy (IMELS) signed in April 2008 the Framework Agreement with Carbon Trade and Finance (CTF), a joint venture between Gazprombank and Dresdner Bank. Under this Agreement CTF will advise on and provide investment opportunities for the purchase of the ERUs in Russia and CIS.

2. OBJECTIVE OF THE CALL FOR EXPRESSION OF INTEREST

The present Call for Expression of Interest aims to provide Italian companies with the opportunity to purchase ERUs for their compliance in the EU ETS from CTF.

3. PROCEDURE

The Call for Expression of Interest will be conducted pursuant to the procedure and the criteria set by the Joint Committee established between IMELS and CTF

The Call for Expression of Interest is issued by IMELS through one phase procurement procedure.

Applicants are invited to express their interest in purchasing ERUs for one or more specific JI project/s, while giving sufficient evidence of their financial/economic solidity.

The Joint Committee shall review the documentation received from the Applicants and select the companies that best fulfil the conditions set below.

At the end of the evaluation procedure, selected companies shall be invited for the signing of the Confidentiality Agreement and thereafter to negotiate the purchase of ERUs. The selected Company/ies shall submit the completed application within 30 days from the publishing of this Call.

4. DOCUMENTS REQUIRED FOR THE EXPRESSION OF INTEREST

Applicants are required to submit the complete documentation listed below (with the exception of official documents, such as certifications and financial statements, which can be enclosed in the language of origin).

Expressions of Interest shall be submitted both in hard copy and in electronic version (CD-ROM).

In case an incomplete application is submitted, the Joint Committee reserves the right to reject the Expression of Interest.

The Applicants need to submit the following items:

- a. Cover letter (Attachment I)
- b. General information (Attachment II)
- c. Proof of legal existence - recent extract from a Professional or Trade Register, or equivalent document
- d. Declaration on exclusion criteria (Attachment III)
- e. Proof of financial capacity (year-end balance sheets and profit and loss accounts for the past 3 financial years), with summary table for selected indicators over the past 3 years (Attachment IV)
- f. Indicative price for the purchase of ERUs in EUR/tonne and amount of ERUs (Attachment V).

If applying for more than one project, the Applicant can provide a single copy of items c, d, e and f.

The Joint Committee may request the Applicants to provide clarifications and/or additional information on the documentation submitted.

5. SUBMISSION OF THE EXPRESSION OF INTEREST

The deadline for the presentation of the Expressions of Interest is on 11th May 2010

All documents shall be sent to the address below:

Italian Ministry for Environment Land and Sea
Via Capitan Bavastro 174
Sustainable Development, Climate Change and Energy Dpt.
Attn. Mr Roberto Binatti

Any Expression of Interest received after the deadline mentioned will not be considered.

Each Applicant shall be informed in writing of the outcome of the selection process within 3 weeks from the expiration of the deadline for submission.

Step	Timing
Submission of Expression of Interest	Deadline: 11 th May 2010
Communication to Applicants	Within 3 weeks from the expiration of the deadline for submission

The Contract Authority will not reimburse any costs incurred by the Applicant for the preparation or the submission of the Expression of Interest.

6. SELECTION CRITERIA

Applicants shall be assessed based on the following sets of criteria:

6.1 Exclusion criteria

Proof of registration

Applicants must prove their enrolment in a professional or trade register in the Republic of Italy. The relevant professional and trade registers in Italy are the “Registro della Camera di commercio, industria, agricoltura e artigianato”, the “Registro delle commissioni provinciali per l’artigianato” or the “Consiglio nazionale degli ordini professionali”. Recent extracts from such registers should therefore be submitted.

Applicants failing to do so shall automatically be excluded from participation.

Ineligibility

Any Applicant shall automatically be excluded from participation where that Applicant is unable to fulfil the requirements of Article 45 of Directive 2004/18/EC, and in particular:

- a) is bankrupt or is being wound up, whose affairs are being administered by the court, who has entered into an arrangement with creditors, who has suspended business activities or who is in any analogous situation arising from a similar procedure under national laws and regulations;
- b) is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding-up or administration by the court or for an arrangement with creditors or of any other similar proceedings under national laws or regulations;
- c) has been convicted of an offence concerning his professional conduct by a judgment which has the force of res judicata;

- d) has been guilty of grave professional misconduct proven by any means which the contracting authorities can justify;
- e) has not fulfilled obligations relating to the payment of social security contributions in accordance with the Italian legislation or legal provisions of the country in which he is established;
- f) has not fulfilled obligations relating to the payment of taxes in accordance with the Italian legislation or with the legal provisions of the country where he is established;
- g) is guilty of serious misrepresentation in supplying or failing to supply the information that may be required under this Call for Expression of Interest on the criteria for qualitative selection.

6.2 *Qualitative criteria*

Financial and economic standing

The financial and economic standing of the Applicant will be assessed based on, amongst others, the following indicators:

- Net equity;
- Net assets
- Total sales
- Gross profit

6.3 *Additional criteria*

A proven interest to purchase ERUs shall be positively evaluated. Such interest could be expressed in an official letter or in the Applicant's Board of Directors' minutes. The certification of the Applicant's financial statements shall also be considered as an asset.

7. COMMUNICATIONS AND INFORMATION

All communications concerning this Call for Expression of Interest shall be forwarded in writing and in Italian to:

Italian Ministry for Environment, Land and Sea
Sustainable Development, Climate Change and Energy Dpt.
Mr Roberto Binatti
Tel/Fax: +3906.5722.8140
E-mail: binatti.roberto@minambiente.it

Further details will be available on the web site of IMELS www.minambiente.it clicking on 'News'.

ATTACHMENT I: COVER LETTER

(to be filled out separately for each project, and jointly in case of joint applications)

<Letterhead of Applicant >

Expression of Interest for the Purchase of Emission Reduction Units (ERUs)

I/we, the undersigned,.....(*name*),
being the legal representative of (*name of the lead Applicant*)

or

acting in the name of (*specify if consortium, temporary association, etc., with the names of all the partners expressing interest jointly*),

hereby submit the attached Expression of Interest for evaluation by the Joint Committee.

By doing so I/we apply for the Purchase of Emission Reduction Units (ERUs) generated in the Russian Federation.

The present Expression of Interest contains the following documents:

Number	Item	Included (yes/no)
<i>Required material</i>		
1.	General information	
2.	Proof of legal existence	
3.	Declaration on exclusion criteria	
4.	Financial statements and financial information summary	
5.	Indicative price for the purchase of ERUs in EUR/tonne and amount of ERUs	
<i>Additional material (please specify)</i>		

I/we hereby certify that the information and the documents provided are true and completely accurate.

Organization (Applicant) :

.....

Name of legal representative

.....

Date, Place and Signature

.....

ATTACHMENT II: GENERAL INFORMATION

(to be filled out separately for each project, and by each partner in case of joint application)

Company information:

Name:

Postal address, zip code + city, country:

.....

Website URL (if any):

.....

Year of establishment:

Short description of core business:

.....

.....

.....

Contact details:

Contact person: Mr. /Mrs

Position in the company:

.....

Telephone / Fax / Email:

Bank details

Account holder

Account number:

Bank name and postal address:

.....

ATTACHMENT III: DECLARATION ON EXCLUSION CRITERIA

(to be filled out separately by each partner in case of joint application)

Name of the Company:

The Undersigned(name), being the legal representative of(name of the company) hereby acknowledges that(name of the Company) shall automatically be excluded from participation if :

- a) is bankrupt or is being wound up, whose affairs are being administered by the court, who has entered into an arrangement with creditors, who has suspended business activities or who is in any analogous situation arising from a similar procedure under national laws and regulations;
- b) is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding-up or administration by the court or for an arrangement with creditors or of any other similar proceedings under national laws or regulations;
- c) has been convicted of an offence concerning his professional conduct by a judgment which has the force of res judicata;
- d) has been guilty of grave professional misconduct proven by any means which the contracting authorities can justify;
- e) has not fulfilled obligations relating to the payment of social security contributions in accordance with the Italian legislation or legal provisions of the country in which he is established;
- f) has not fulfilled obligations relating to the payment of taxes in accordance with the Italian legislation or with the legal provisions of the country where he is established;
- g) is guilty of serious misrepresentation in supplying or failing to supply the information that may be required under this Call for Expression of Interest on the criteria for qualitative selection.
- h)

The undersigned as legal representative of(name of Company), herewith declares that none of the above exclusion criteria applies to(name of Company).

Upon request of the Contracting Authority,(name of Company), will provide documentation proving that none of the above exclusion criteria applies.

Company:.....

Name of legal representative:

Signature

Date:

ATTACHMENT IV: FINANCIAL INFORMATION SUMMARY

(to be filled out separately by each partner in case of joint application)

Name of the Company:

Years	2006	2007	2008
Net equity (Patrimonio netto)			
Net Assets (Immobilizzazioni nette)			
Total sales (Valore della produzione)			
EBIT (Risultato lordo di gestione)			

Are the annual accounts audited? Yes / No

Note: Pls. attach year-end complete financial statements (balance sheets and profit and loss accounts) for the past 3 financial years

ATTACHMENT V: INDICATIVE PRICE FOR THE PURCHASE OF ERUs IN EUR/TONNE AND AMOUNT OF ERUs

The Undersigned(*name*), being the legal representative of(*name of the company*) hereby provides an indicative offer of

_____ EUR per tonne for the purchase of up to _____ tonnes.

Company:.....

Name of legal representative:

Signature

Date: